

# ELANA Financial Holding

## 2011

Update: 30.06.2011



 **20 years ELANA**

q ELANA is one of the largest non-banking financial groups in Bulgaria and preferred partner to local and international investors for 20 years already in a range of expertise areas: asset management, trading on financial markets, investment banking, business consultancy, real estate investment, renewable energy investment, etc.

q Being one of the first fully licensed investment intermediaries, ELANA also holds the responsibility for a series of start ups on the Bulgarian market, such as founding one of the first asset managers and mutual funds, implementing the first bond issue, establishing the first fund for investing in agricultural land, being selected to be the first private fund manager of a public financial institution in the country and many other examples that uphold the position of the company as innovator in finance and investment.

q The diversified business portfolio of the group is structured as follows: *financial services* are managed by ELANA Financial Holding and the *renewable energy* business divisions – within ELANA Holding.

## Our mission

Is to provide a wide range of professional services to institutional investors, corporate customers and private investors and help them achieve their objectives by constantly maintaining the highest standards of professionalism and performance.

## We believe

Our human capital is the key factor to success as well as the reason for upholding a leading position on the Bulgarian financial market.

## Our corporate vision

We maintain the position of a premier Bulgarian investment company which is always the preferred partner due to offering the highest quality investment solutions based on professionalism, diversity, integrity and transparency. Building stable relationships with our business partners is our foremost objective.

<b>Founded</b>	<b>1991</b>
<b>Equity Capital</b>	<b>EUR 5.6 mln</b>
<b>Assets under management</b>	<b>Approx. EUR 25 mln</b>
<b>Accumulated customers</b>	<b>Approx. 40 000</b>
<b>Customer Outreach</b>	<b>A national network of ELANA investment centres in 7 cities throughout the country</b>
<b>Employees</b>	<b>80</b>

**ELANA Fund Management**

- q One of the first asset managers set in Bulgaria
- q 8 mutual funds and individual portfolios.

**ELANA Trading**

- q The first company in the group
- q Brokerage and investment banking services in the lead of the local financial market

**ELANA Property Management**

- q The real estate investment subsidiary which has contributed to the development and transparency of the Bulgarian agricultural market by founding ELANA Agricultural Land Opportunity Fund REIT (ticker BSE – 4EC) - the first and the largest Bulgarian fund for investments in agricultural land

**ELANA Investment**

- q A leading expert in consulting Bulgarian business and public administration on funding from EU & international donor programmes

- q One of the first asset managers in Bulgaria founded 2002.
- q Offers 8 mutual funds and management of individual portfolios covering all types of investment strategies, including a KBC Asset Management capital-protected fund designed especially for the Bulgarian market.
- q Total assets under management – approx. EUR 20 mln (30 June 2011).
- q Provides service to approx 2400 institutional and individual investors.
- q ELANA Fund Management is among the top 3 players by AUM on the Bulgarian mutual funds market following OTP-owned DSK Asset Management and Raiffeisen Asset Management.
- q ELANA Fund Management is a member of the Bulgarian Association of Asset Managers.
- q ELANA Fund Management was awarded The Asset Manager of the Year four years in a row (2006, 2007, 2008, 2009) within the annual ranking of The Banker Weekly.
- q ELANA Money Market Fund wrapped up 2010 with the highest annual return among low-risk funds (8.56%) and for 2008 was the Bulgarian fund with the best annual return (7.6%).
- q ELANA Money Market Fund was awarded Business New Europe 2009 Best Fixed Income Fund among funds investing in CEE and CIS.
- q ELANA Money Market Fund was awarded Investment Product 2007 at the International Financial Exhibition Banks, Investment, Money 2008 and wrapped up 2008.

## Conservative investment strategy

### ELANA Eurofund (founded 2009)

Low-risk fund in EUR

### ELANA Dollar Fund (founded 2008)

Low-risk fund in US dollars.

## Money Market Fund

### ELANA Money Market Fund (founded 2007)

Money market fund

Awarded Best Investment Product 2007

The Fund with Best Return Result for 2008 in Bulgaria (7.6%)

Awarded BNE 2009 Best Fixed Income Fund in CEE and CIS

Best return result among low-risk funds for 2010 in Bulgaria (8.56%)

## Moderate investment strategy

### ELANA Balanced \$ Fund (founded 2006)

The first mutual fund in USD on the market  
Balanced fund in USD.

### ELANA Balanced € Fund (founded 2005)

Balanced fund in EUR and BGN

## Aggressive investment strategy

### ELANA High Yield Fund (founded 2005)

Equity fund in BGN.

### ELANA Global Equity Fund (founded 2010)

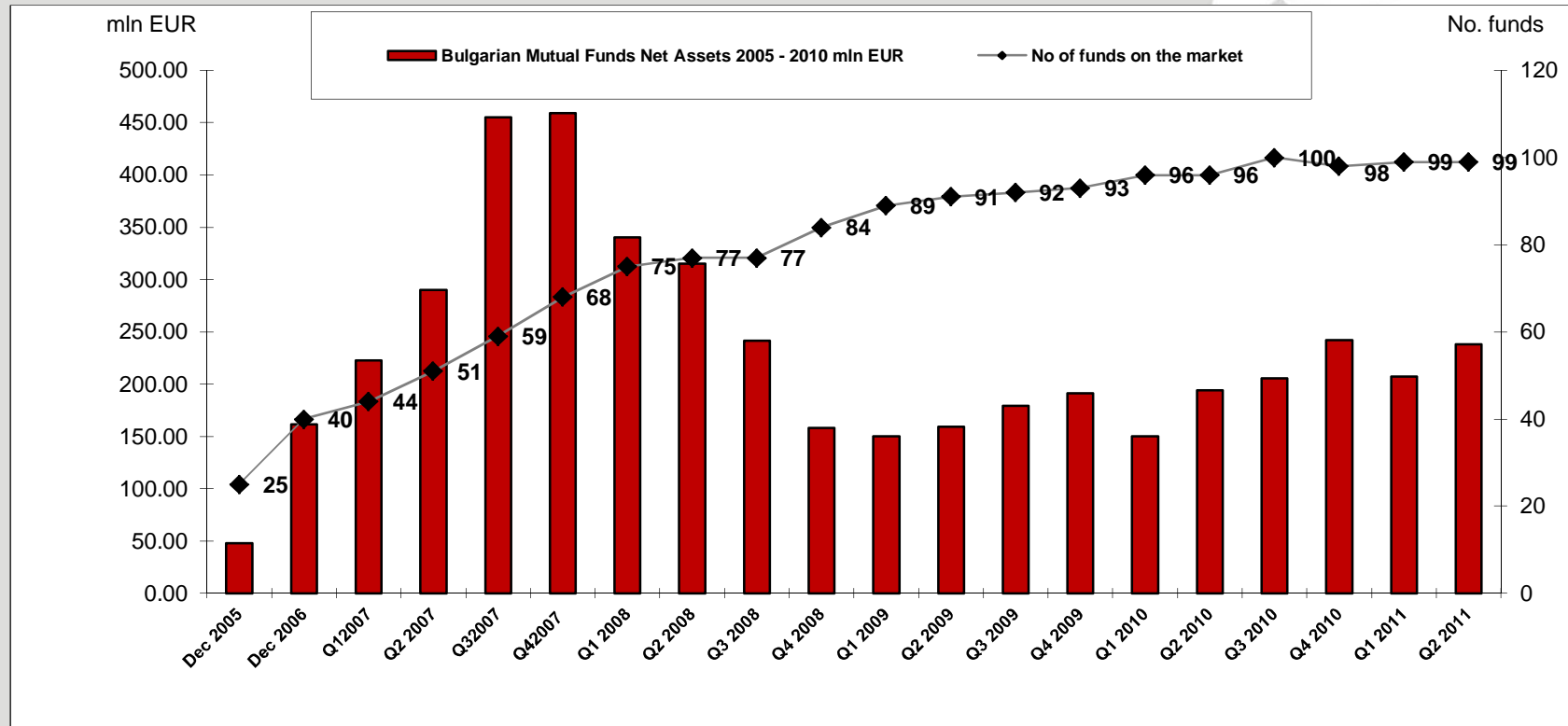
Global equity fund in EUR.

## Capital-protected Fund

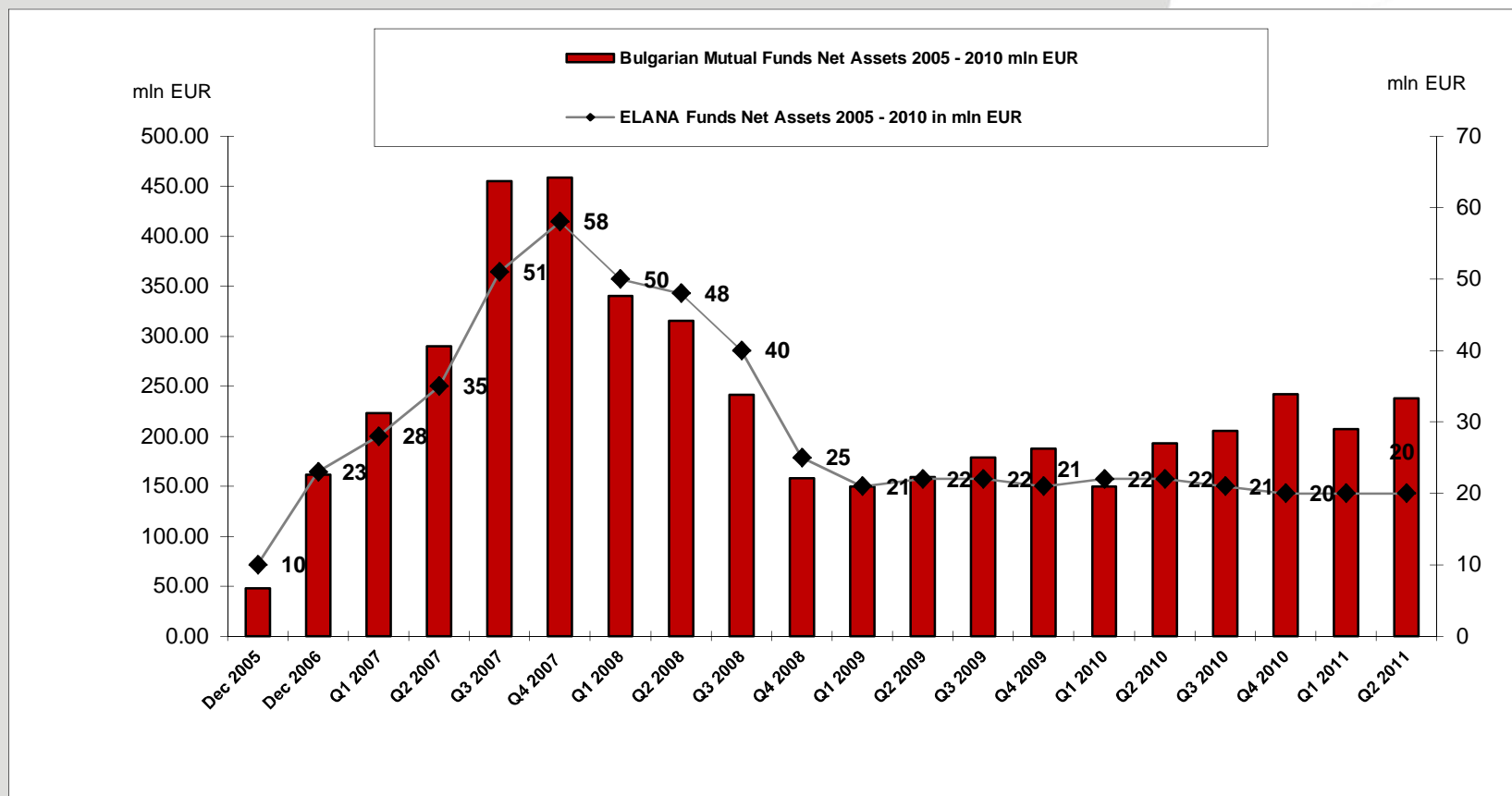
### Horizon Commodity 1 (founded 2008)

ELANA is the distributor and promoter of the fund for the Bulgarian market on behalf of KBC Asset Management.

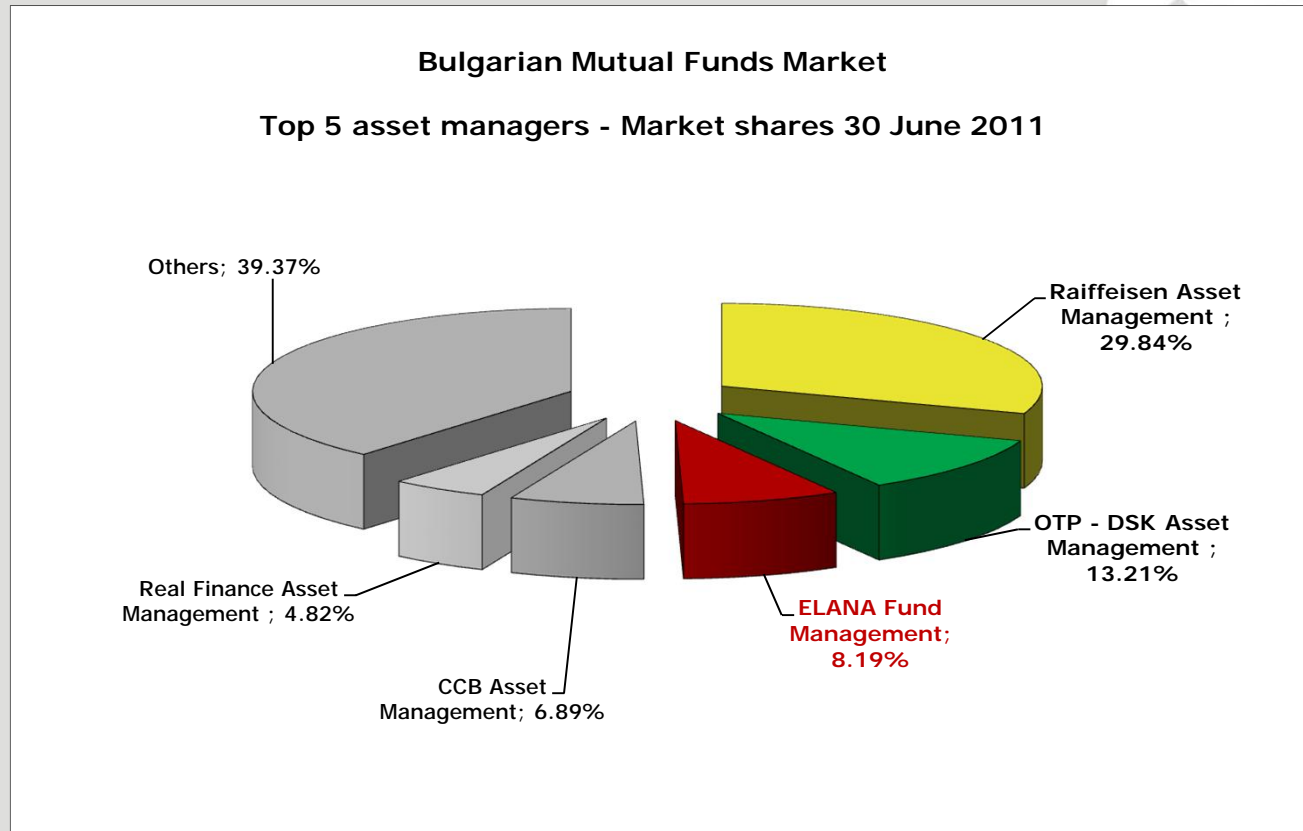
Launch – 9.06.2008; Maturity date – 29.07.2011



Source: BNB , FSC



Source: BNB, FSC



Source: Data from the Bulgarian Association of Asset Managers and the Bulgarian Stock Exchange

q **ELANA Trading** – registered in 1997 as one of the first brokerages in Bulgaria, fully licensed for services in Bulgaria and abroad by the Bulgarian Financial Supervision Commission. Brokerage services started in 1991 as ELANA. A member of the Bulgarian Stock Exchange, Central Depository and the Bulgarian Association of Licensed Investment Intermediaries.

q ELANA Trading retains a market position in the lead on the local stock market for 20 years – traditionally, in the top 3 brokers among total of 50.

q Approx. 10% market share & No.3 on the market by number of deals on the Bulgarian Stock Exchange (30.06.2011, BSE).

q 39% market share (30.06.2011, BSE) and No.1 on the market by retail customers using the COBOS Internet platform of the Bulgarian Stock Exchange.

q **Bulgarian brokerage 2010** – awarded for ranking first within the annual rating of local brokerages by The Banker Weekly.

q Maintaining a leading market position in the local investment banking sector - some of the groundbreaking steps: placed the first bond issue on the market, managed major IPOs among which the first IPO of an industrial and a FMCG companies, etc.

q **Prizes by the Bulgarian Stock Exchange** for annual number of deals from 2006 to 2010. Awarded twice for contribution to the development of local investment banking (2006 – 2007).

q Exclusive partner for Bulgaria of the US Auerbach Grayson & Co. providing services on 127 markets worldwide.

q Partner of Saxo Bank for Bulgaria in online trading on international markets.

q Some of ELANA Trading partners: Rosenthal Collins Group, Saxo Bank, Deutsche Bank, Ameritrade, Sucden Financial, CMC Markets, GFT, IG Index, Man Financial, MF Global, Cowen Group, etc.



## **Trading on the Bulgarian Stock Exchange – Sofia**

Broker services and online trading - COBOS service (The Bulgarian Stock Exchange web-based trading platform).

Investment advice on the Bulgarian stock market.

## **Trading with over 30 000 instruments on global financial markets**

24-hours access through desktop, laptop and mobile phone via online trading platforms ELANA Global Trader, ELANA Web Trader and ELANA Mobile Trader – in partnership with leading European investment bank Saxo Bank.

## **Fixed income & Money markets**

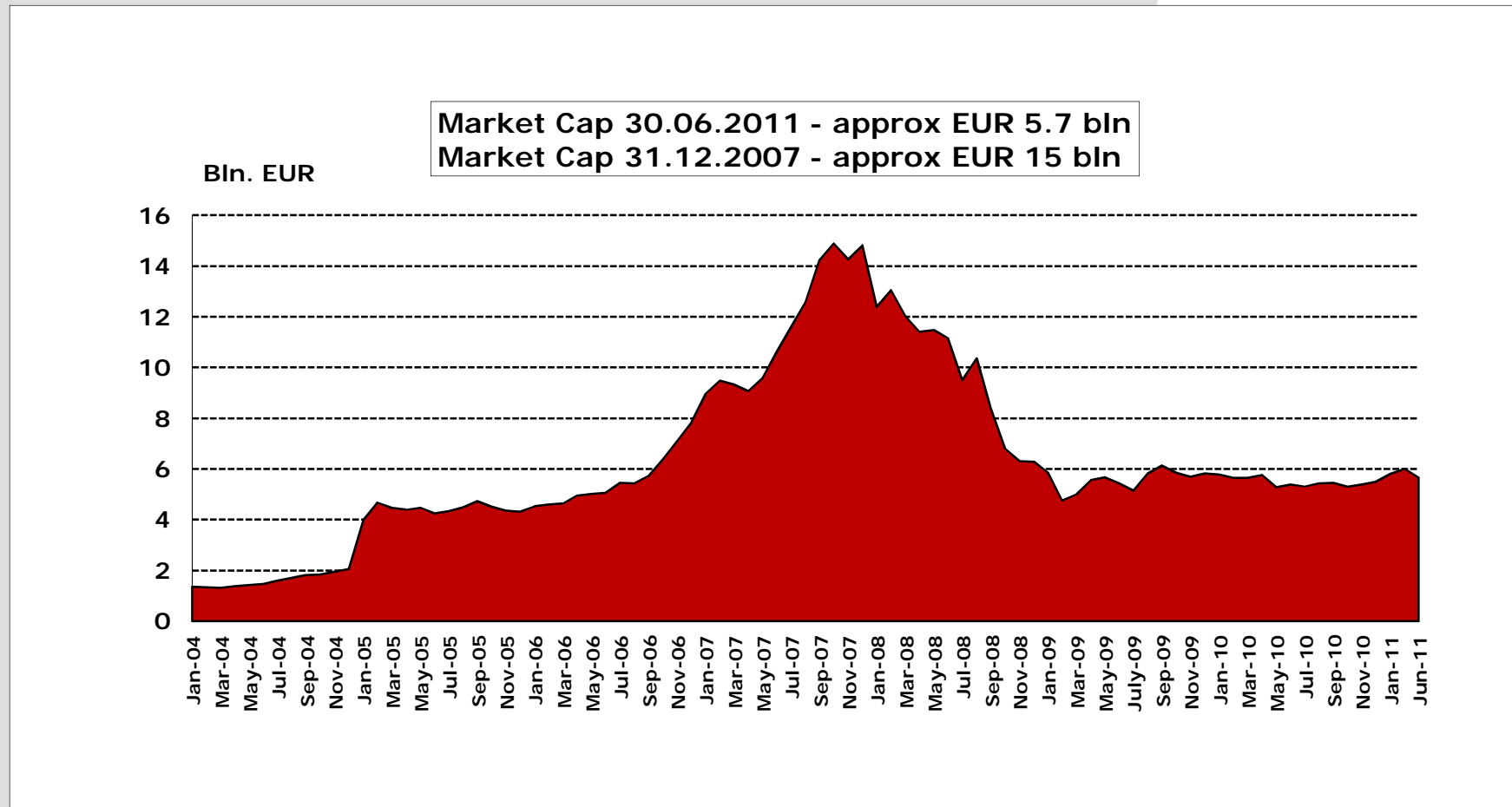
Primary and secondary bond market (government, municipal, corporate, mortgage, global bonds)

## **Investment banking**

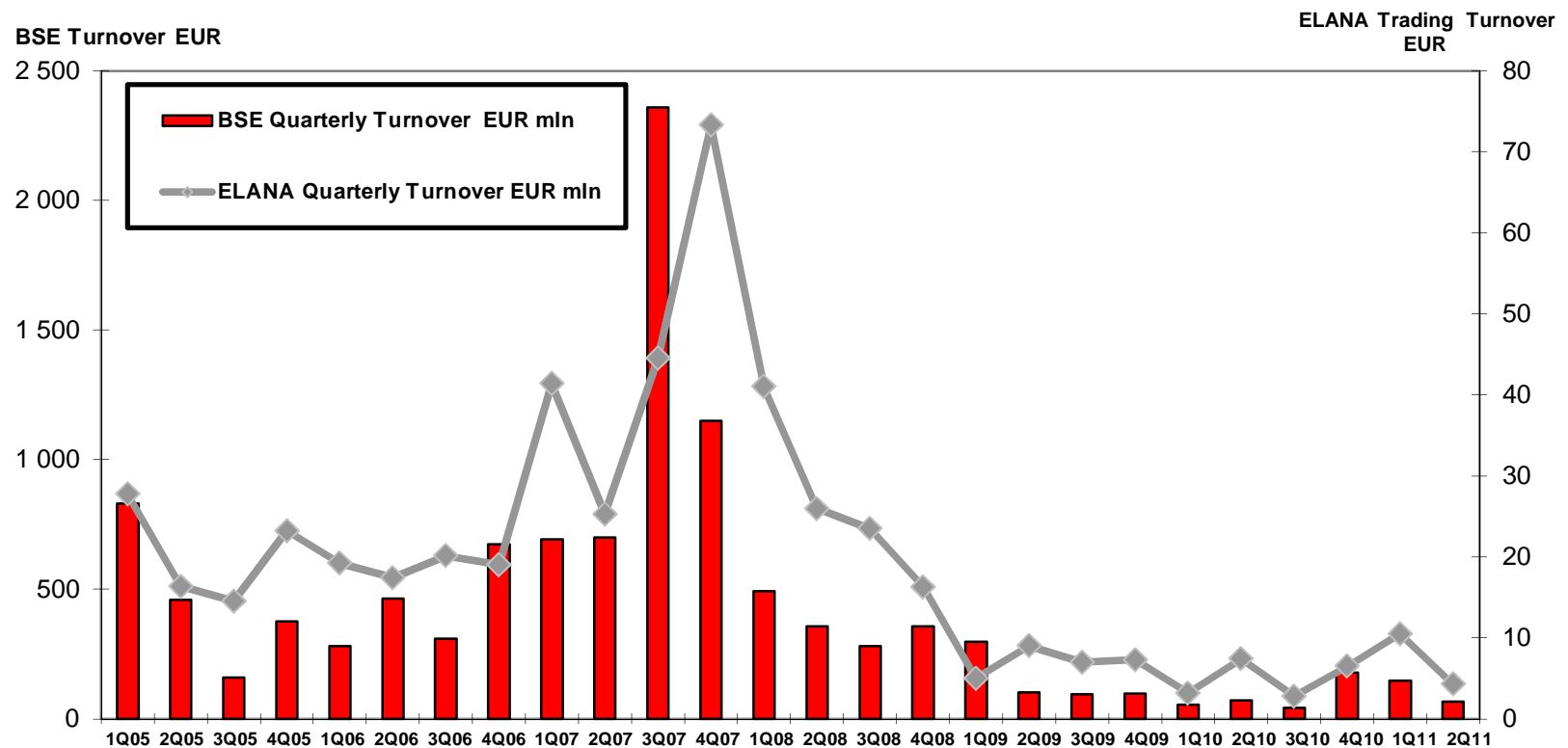
Structuring, placement, underwriting of equities and bonds

## **Research and Analysis**

Bulgarian stock market daily and weekly bulletin, international markets daily bulletin, monthly stock picks, in-depth analyses of BG companies, IPOs, as well as macroeconomic reviews and other economic research. Research reports are published by Thomson Reuters, Bloomberg and other financial information companies.



## ELANA Trading - Turnover on the Bulgarian Stock Exchange 2005 - 2011



Source: BSE

**ELANA Property Management - A skilled and proved reliable Bulgarian partner for agricultural land business:**

- q Knows thoroughly the agricultural land market in Bulgaria – specifics of regions and plots; established mechanism and networks for making the best cost effective choice of land
- q Proficient in consulting purchase and sale of land, rezoning, selection and acquisition of land plots for wind and solar parks
- q Excelled at structuring and developing innovative investment products – some of them a first step on a newly emerged market

In 2005 ELANA introduced one of its most innovative investment products – the first real estate investment trust in Bulgaria that focused on investing in agricultural land: **ELANA Agricultural Land Opportunity Fund – EALOF.**

ELANA Property Management was selected to be the fund managing and administration company to EALOF from 2005 till March 2009. In the process of developing the new fund, ELANA Property Management was entitled to organize purchasing of quality agricultural land at the best cost available as well as to facilitate consolidation of the land in larger land plots, which were to be leased to agricultural producers and generate revenue for the fund from rentals. EALOF was initially planned to have a fixed term till 2012 when the land would be sold out and the profit distributed among the shareholders.

## Recognition:

q ELANA Holding was awarded for ELANA Agricultural Land Opportunity Fund REIT with the **Financial Product of 2005** at the International Financial Exhibition *Banks, Investments, Money*

q ELANA Agricultural Land Opportunity Fund was awarded Bulgarian REIT with **the Best Corporate Governance for 2007**

q ELANA Agricultural Land Opportunity Fund was **the only public company** included in all indices of the Bulgarian Stock Exchange

ELANA Investment is the consulting arm of ELANA Financial Holding.

ELANA Investment is a leading consultant to Bulgarian business and public administration in facilitating funding for their investment projects and programmes.

**The service:**

Providing consultancy to agricultural producers, enterprises and public administration in developing successful investment projects and business plans for applying for EU funding or for grants at international organisations.

**Highlights of achievement:**

- q Over 500 enterprises, agricultural producers and municipalities have acquired EU funding for investing in their business development through ELANA Investment consultancy;
- q Over BGN 200 mln of EU funding was raised for Bulgarian business and municipalities through ELANA Investment expertise;
- q Over 150 successful projects within EU Structural Funds for Bulgaria with the amount of BGN 140 mln raised within 3 years;
- q Over 120 successful projects within the EU pre-accession programmes – over BGN 75 mln raised;
- q Managed the implementation of the first Phare technical assistance project in Bulgaria (EUR 3 mln) for providing support to 150 SMEs.



ELANA Investment is certified by the ISO 9001:2008 standard with UKAS (UK) accreditation and ANAB (USA) accreditation:  
**Certificate No. BG13007Q ISO 9001:2008**

For the period of 2000 – 2011 ELANA Investment consulted the successful development and expansion of many Bulgarian companies and agricultural producers:

**q 132 approved projects** within the Rural Development Programme – implemented aid for investment in agriculture and municipality improvements at the amount of BGN 47 mln; framework agreement with Sofia Municipality for consulting RDP projects till 2013

**q 16 approved projects** within OP Competitiveness - implemented aid for investment in Bulgarian manufacturing and production at the amount of BGN 20 mln;

**q 5 technical assistance projects** of municipalities in progress within OP Environment;

**q 1 approved project** worth approx. BGN 5 mln at OP Regional Development – energy efficiency measures at Blagoevgrad municipality

**q Successfully developed and implemented 87 projects** for agricultural producers with funding from EU SAPARD programme at the amount of over EUR 33 mln from the beginning of the programme in 2001

**q Implemented the first EU Phare project** for SMEs in Bulgaria (SRAFAS; EUR 3 mln);

**q 15 implemented projects** of enterprises with aid of over EUR 1 mln within Phare grant schemes;

**q Successfully developed and implemented 9 projects** at the amount of over EUR 1,5 mln with funding from the Agriculture State Fund”

- q ELANA Trading – Brokerage 2010 – awarded for ranking first within the annual ranking of Bulgarian brokerages by The Banker Weekly.
- q ELANA Money Market Fund was awarded Business New Europe 2009 Best Fixed Income Fund among funds investing in CEE and CIS.
- q ELANA Fund Management was awarded The Asset Manager of the Year four years in a row (2006 - 2009) within the annual rankings of the industry by The Banker Weekly.
- q ELANA Money Market Fund was granted the prize Investment Product 2007 at the International Financial Exhibition *Banks, Investments, Money*.
- q ELANA Trading was granted the 2006 to 2009 annual prizes by the Bulgarian Stock Exchange for top 3 brokerage by number of deals on the local stock market.



- q ELANA Agricultural Land Opportunity Fund REIT was awarded REIT with Best Corporate Governance 2007 by the Bulgarian Association of Investors
- q ELANA Holding was awarded for ELANA Agricultural Land Opportunity Fund REIT by The Financial Product of 2005 at the International Financial Exhibition *Banks, Investments, Money*
- q ELANA Trading got the annual prize of the Bulgarian Stock Exchange for the biggest number of issues in 2005
- q ELANA Trading got the award Financial Product of the Year for its web-based trading platform ELANA Trader 2.0 at the International Financial Exhibition *Banks, Investments, Money* (2003)
- q ELANA Fund Management got the award Financial Product of the Year for its first mutual fund ELANA Eurofund at the International Financial Exhibition *Banks, Investments, Money* (2003)



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